

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES FOR THE)	
WHISPERING HILLS SANITARY SEWERS-)	
DIVISION OF GEORGE E. BUISSON)	CASE NO. 8491
REALTY CO., INC., OF JEFFERSON)	
COUNTY, KENTUCKY)	

O R D E R

IT IS ORDERED that Whispering Hills Sanitary Sewers-Division of George E. Buisson Realty Co., Inc., of Jefferson County, Kentucky, shall file an original and six copies of the following information with the Commission, with a copy to the Attorney General's Consumer Protection Division, by May 7, 1982:

1. KRS 278.310(2), Section 9(b) requires that a utility submit a schedule of present and proposed rates in comparative form showing the present rates and revenues received under such and the same information concerning the proposed rates. Please supply this schedule.

2. Exhibit 8, page two of seven, shows a total of 1448 customers, however, on page 10 of the 1981 annual report the utility shows 1482 customers, or a difference of 34 customers. Please explain this difference.

3. On the comparative income statement (Exhibit 8-1), the utility shows actual revenues for the year ended

December 31, 1981, in the amount of \$94,664.96. We have compiled the information for this period as recorded on the Louisville Water Company advices and arrive at a total of \$59,628.30 in annual revenue for the period. Please submit an analysis, by months, of this difference of \$35,036.66.

4. Submit copies of invoices substantiating the annual amounts in the following accounts:

Water Cost	\$ 2,881.87
Electric Cost	19,523.07
Sludge Hauling	3,537.25
Repairs and Maintenance*	11,166.79
Parts*	4,915.00
URC Assessment	410.00
Property Taxes	630.84
Trash Collection (copy of the April, 1981 invoice only)	25.75

*Submit all invoices over \$50.00

5. Provide written documentation from your chemical supplier concerning its projection of a 5 percent increase in chemical cost in 1982.

6. We are attaching a copy of your exhibit 8(8), the depreciation schedule, on which the Commission has made an adjustment to certain items of plant. For rate-making purposes, the Commission allows only straight-line depreciation. Please confirm this computation, or submit any amendments you propose to the schedule.

7. In item 8 of the comments to the comparative income statement, you project an anticipated expense for cleaning of Wet Tax 15 1/4 hours at \$71.25 per hour (based on test period) of \$1,086.56." Please identify further the purpose of this anticipated operating expense as related to sludge hauling.

8. In several instances, we find that you have increased actual operating expenses by approximately 10 percent because of an anticipated increase in cost related to inflation without providing documentary evidence. It is the Commission's policy to disallow pro forma increases to actual operating expenses which are not known and measurable expenses. Provide any documentation of known expense increases for which you have verifiable evidence.

9. On exhibit 8(10), the schedule lists principal amounts owed to Buisson Investments totalling \$691,194.35. Submit the following information concerning each note:

- (a) a copy of each note
- (b) purpose of the proceeds of each note
- (c) amortization schedule on each note.

IT IS FURTHER ORDERED that in the event the above information is not timely filed, the Commission may dismiss the case without prejudice absent a motion for an extension of time for good cause.

Done at Frankfort, Kentucky, this 23rd day of April,
1982.

PUBLIC SERVICE COMMISSION

Marlin M. Cook
For the Commission

ATTEST:

Secretary

Public Service Commission
Case No. 8491 - Whispering Hills Sanitary Sewers - Div.
of Geo. E. Bruzson Realty Co., Inc.
Analysis of Sewer Revenues for the Year Ended 12/31/81
Source of Information: LWC advice -

COLUMN WRITING	1981		Gross Revenues	Sales Tax	Collection Charges	Net
			#	#	#	#
1						
2	Jan.		158460	355	36649	121456
3						
4	Feb.		762332	588	9315	752429
5						
6	March		280367	-0-	39240	241127
7						
8	April	0.00 C *	774486	588	9310	764588
9						
10	May	Gross Revenue 59,691.91 +	152879	123	43134	108779
11		Less: Sales Tax 43.86 -			843	
12	June	Cn. Man. 19.75 -	810642	457	9990	800195
13						
14	July	Adj. Sewer Rev. 59,628.30 T	193013	148	39050	153815
15						
16	Aug.		764534	588	10050	753896
17						
18	Sept.	0.00 C *	265803	-0-	36984	228819
19						
20	Oct.	3,000.01 +	788937	877	10488	776440
21					1138	
22	Nov.	LWC Collection 19.75 -	200958	74	43520	151364
23		Fee 2,980.26 T				
24	Dec.		816780	588	10296	805896
25						
26			5969191	4386	300001	5664804
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						

(BASIS ADJUSTED BY FIRST YEAR SALVAGE AND INVESTMENT CREDIT)

NAME Whispering Hills Sanitary Sewers

ADDRESS _____

I. D. NUMBER _____

YEAR ENDED December 31, 19 82

CODE: SL-STRAIGHT LINE
DB-DECLINING BALANCE
SY-SUM OF THE YEARS

Exhibit 8c

1. LINE	2. KIND OF PROPERTY	3. COST OR OTHER BASIS	4. LIFE IN YRS.	BASIS ADJUSTMENTS			8. ADJUSTED BASIS	9. METHOD USED	10. PRIOR DEPRECIATION	11. REGULAR DEPRECIATION	12. TOTAL DEPRECIATION
				5. INVESTMENT CR. %	6. AMOUNT -	7. ESTIMATED SALVAGE VALUE					
	SEWER TREATMENT PLANT										
	Sewer Plant Land	4,000 00					4,000 00				
	Plant	72,695 47	48		Elect Straight Line		72,695 47	SL	136,990 43	6,907 81	143,898 24
	Plant Addition	58,951 74	48		Elect Straight Line		58,951 74	SL	41,340 20	2,358 06	43,598 26
	Plant Addition	4,930 56	48				4,930 56	SL	3,329.48	197.88	3,462 61
	Plant Addition	77,010 00	48				77,010 00	SL	39,067 91	3,080 40	42,148 31
	Plant Addition	9,896 00	48				9,896 00	DB	4,596 38	423.96	5,020 34
	(4) Sewage Pumps	18,431.99	100				18,431 99	DB	6,600 95	2,366 20	8,967 15
	Pumps & Blower	9,884 66	152				9,884 66	ACRS	1,482 70	2,174.62	3,657 32
		355,800 42					355,800 42		233,408 05	16,265.23	250,852 27

1981
allowable Depn. Exp.

6,907.81 +
2,358.06 +
197.22 +
3,080.40 +
395.84 +
1,843.20 +
1,482.70 +
16,265.23 +